

## 1 HOUSE JOINT RESOLUTION NO. 35

2 INTRODUCED BY D. HIMMELBERGER

3 BY REQUEST OF THE HOUSE STATE ADMINISTRATION STANDING COMMITTEE

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6 A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF  
7 MONTANA REQUESTING AN INTERIM LEGISLATIVE STUDY OF PAY POLICIES AND PRACTICES ON  
8 BONUSES FOR STATE GOVERNMENT EMPLOYEES; ARTICULATING POLICY GOALS; AND REQUIRING  
9 A REPORT OF FINDINGS AND RECOMMENDATIONS TO THE 62ND LEGISLATURE.

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11 WHEREAS, controversy over bonuses called attention to the topic of bonus payments for state  
12 employees and resulted in the introduction of three bills to restrict bonuses for certain types of employees and  
13 at certain times; and

14 WHEREAS, the three bills were House Bill No. 358 by Representative Bergren, House Bill No. 576 by  
15 Representative Warburton, and House Bill No. 594 by Representative Hunter; and

16 WHEREAS, each bill took a different approach to restricting bonuses and was aimed at a different issue  
17 related to bonus payments; and

18 WHEREAS, the House State Administration Committee heard each bill, tabled each bill because of  
19 unresolved questions on the bill, conducted informational and discussion sessions about pay and bonuses in  
20 state government, and decided that an interim legislative study on bonuses should be requested to encompass  
21 the issues raised by the tabled bills; and

22 WHEREAS, an interim legislative study will enable a thorough examination of pay policies and practices  
23 concerning bonuses paid to state employees and facilitate a systematic approach to drafting legislation for the  
24 next legislative session; and

25 WHEREAS, if interim committee workload precludes a full-fledged committee study, the study objectives  
26 outlined in this resolution can be accomplished through a staff white paper.

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28 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE  
29 STATE OF MONTANA:

30 (1) That the Legislative Council be requested to designate an appropriate interim committee, pursuant

1 to section 5-5-217, MCA, or direct sufficient staff resources to:

2 (a) review each state agency's policies and practices on providing bonuses and compare and contrast  
3 how bonuses are paid to classified versus nonclassified employees within and among the agencies;

4 (b) examine how money appropriated for the 2008-2009 biennium under section 2-18-303(2), MCA, for  
5 purposes including but not limited to market progression, job performance, or employee competencies was used;

6 (c) examine whether any bonuses paid since July 1, 2007, were paid according to established guidelines  
7 and procedures and whether bonuses are considered an effective or necessary pay administration tool;

8 (d) identify and analyze issues and options related to how bonuses are or should be paid; and

9 (e) develop conclusions and offer recommendations, including any necessary implementing legislation,  
10 on how best to meet the policy goals listed in subsection (2) with respect to bonuses.

11 (2) That the legislative study of bonuses described in subsection (1) be conducted in the context of the  
12 following policy goals:

13 (a) transparency to avoid possible impropriety or the appearance of impropriety;

14 (b) accountability and oversight to ensure established procedures are followed and that there is ongoing  
15 monitoring and periodic review of policies and practices;

16 (c) equity within and among agencies to ensure that there is a sound rationale for flexible policies,  
17 variable practices, and exceptions; and

18 (d) definition and clarity in statewide as well as agency standards and guidelines governing how and why  
19 bonuses are to be given to employees in classified as well as nonclassified positions.

20 BE IT FURTHER RESOLVED, that the study include an examination of the pay and bonuses of only  
21 those employees whose compensation is within the scope of House Bill No. 13, the pay plan bill covering both  
22 classified and nonclassified positions in state government.

23 BE IT FURTHER RESOLVED, that if the study is assigned to staff, the study's findings and conclusions,  
24 including any suggested legislation, be presented to and reviewed by an appropriate committee designated by  
25 the Legislative Council.

26 BE IT FURTHER RESOLVED, that all aspects of the study, including presentation and review  
27 requirements, be concluded prior to September 15, 2010.

28 BE IT FURTHER RESOLVED, that the final results of the study, including the study's findings,  
29 conclusions, recommendations, and suggested legislation, be reported to the 62nd Legislature.

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